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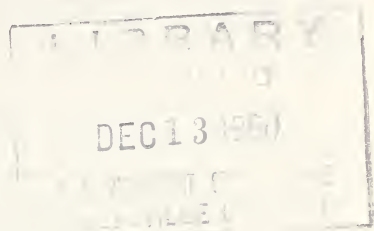
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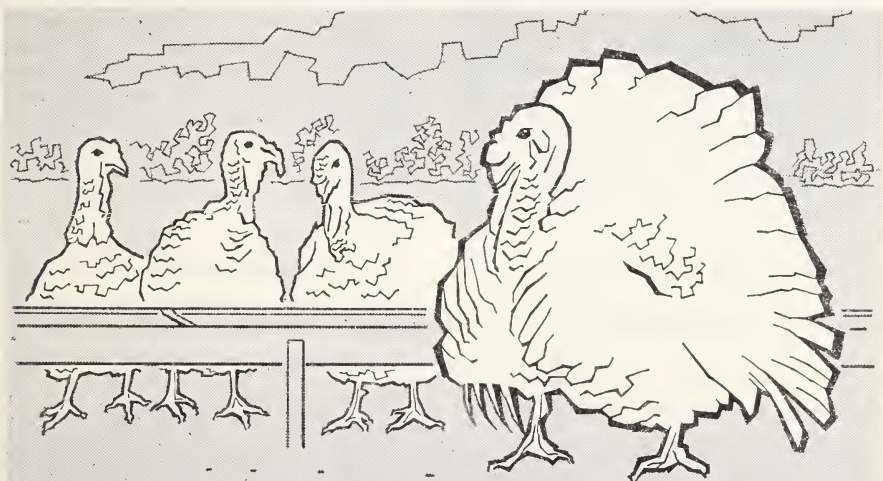
THE HEAVY WHITE TURKEY IS ON THE MARCH

Six or eight years ago we couldn't tell you how many heavy-breed white turkeys there were—producers raised so few that the Crop Reporting Board didn't even report them separately.

This year, however, producers are raising 22 million heavy whites. Why this sudden increase? It's because to

a considerable degree the heavy white lets the producer have his cake and eat it too.

Some years it pays to market turkeys heavy; other years lightweight turkeys are more profitable. The producer of heavy whites can take his pick—market them heavy or light.



TURKEYS—Continued

This year the market for small turkeys is better than the market for heavy turkeys.

(In October, frozen small turkeys were wholesaling at 2 or more cents a pound than heavy turkeys.)

Faced with this market situation, the producer of heavy whites can sell his hens young—at weights competitive with Beltsvilles. Sometimes it even pays him to handle some of his toms this way.

If the market for heavy turkeys were the better one, the producer could feed his flock to heavier weights. Then they would be competitive with the standard broad-breasted Bronze turkey which comprises the bulk—about 60 percent—of this year's crop of 82 million turkeys.

Bronze turkeys can't easily be marketed at light weights. If they're slaughtered at immature ages, their pin feathers show prominently. White turkeys present this problem to a different degree; because white pin feathers are less conspicuous, pinfeathering is a less exacting job in preparing white turkeys for market. Since that job then costs less it gives them an economic advantage over the Bronze.

There's another important reason why heavy whites have increased their numbers. The initial cost of the poult is a significant factor in whether or not a turkey-growing venture is profitable. Heavy-breed white poults usually sell for less than Bronze poults. This spring heavy white poults were a few cents cheaper than Bronze poults. A reason: most heavy whites strains are better egg layers. The better they lay, the cheaper their eggs and poults can be sold.

Although the heavy white can ease

marketing problems, it's still an economic compromise. The immature heavy white hen rarely yields as well-finished an 8-pound family-size carcass as does a plump Beltsville of the same size. And the mature white tom doesn't often reach the 28-pound weight class that tops the frozen heavy turkey market.

Breeders are hard at work improving present strains of white turkeys, and introducing new ones. The accent they put on plumage color, fleshing, and conformation proves that you can't separate the production and marketing objectives of farm enterprises.

Edward Karpoff

Agricultural Economics Division, AMS

Turkey Breeder Plans for Next Year

On October 1, turkey breeders in 15 important States intended to start the 1961 hatching season with 26 percent more heavy-breed hens than last season. They expect to have about the same number of light-breed hens. The 15 States had about 81 percent of the breeder hens on hand January 1, 1960.

Prices producers received for turkeys so far in 1960 have been higher than in 1959. This improvement in turkey prices, no doubt, contributed to the intended increase in the holdings of breeder hens for the 1961 season.

Compared with 1960, turkey breeders intend to hold 46 percent more heavy-white breeder hens and 19 percent more other heavy-breed hens, mostly Bronze. If these intentions are carried out, the heavy-white breed hens will account for 31 percent of the heavy breeders on hand in 1961, compared with 26 percent in 1960.

Robert F. Moore

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AMPLE SUPPLIES FORECAST FOR PROCESSED VEGETABLES AND POTATOES

It looks like frozen vegetable supplies probably will be about the same or slightly larger during the first half of 1961 than a year earlier, but the total supply of canned vegetables is likely to be a little smaller.

Processed Vegetables

Carryover stocks of canned vegetables at the beginning of the season plus the 1960 pack added up to about the same supplies for the 1960-61 season as last season. But more active demand and heavier shipments in the first half of the season probably leaves a little less volume of canned vegetables than a year ago, although remaining supplies still are above average. Among major canned items, indications are that supplies of snap beans, sauerkraut, and lima beans are at least moderately larger than a year ago. But remaining supplies of green peas and sweet corn are materially smaller. Supplies of some canned tomato items are also down.

Supplies of a number of frozen items are larger than a year ago. Also, there will be considerable additional packing of potatoes and few other items during the winter and spring. But supplies of a number of important vegetables—snap beans, sweet corn, and green peas—will be down from a year earlier.

Distributor demand for processed vegetables—particularly canned items—in the last 6 months of 1960 was considerably better than the dull demand of a year earlier. There were far less concessions by canners, and f.o.b. prices of most major items averaged at least moderately above those in the last half of 1959. With smaller supplies of some items, some increase

in processing costs, and the prospect of continued strong demand, wholesale prices of processed vegetables in the first half of 1961 are expected to average moderately higher than in the first half of 1960. Because of higher product costs and some increase in distribution costs, consumers are likely to find retail prices a little higher.

Potatoes and Sweetpotatoes

Slightly more potatoes are expected to be available this winter than last. Production for fall harvest, much of which is stored for winter and spring marketing, was moderately larger than in 1959. Production was down slightly in the West, but was significantly larger in the Eastern and Central States. The crop of winter potatoes, which furnishes only a small part of winter marketings, may be close to that of last winter. Processor demand is expected to continue strong. But with a substantially larger fall crop of potatoes in Canada, export demand the first half of 1961 is likely to be down from that of 1960.

Federal marketing agreement and order programs, similar to those of last season, are in effect in areas which produce about three-fourths of the total fall crop. The orders restrict marketings of tablestock potatoes to the more desirable qualities and preferred sizes. A few additional areas operate under State marketing agreements and orders. These programs and strong processor demand will help growers in marketing the crop. In the West, where production is down slightly, prices may average close to those of a year earlier. But larger supplies in the Eastern and Central States are likely



VEGETABLES—Continued

to result in lower prices in those areas, particularly for round white potatoes.

Supplies of sweetpotatoes are substantially smaller than both a year ago and the 1949-58 average. Production was down from 1959 in all areas except the Central Atlantic States. Production in Louisiana, leading State in volume, is down a third. Combined production in New Jersey, Virginia, North Carolina, Louisiana, Texas, and California was down 18 percent from 1959. These States combined furnish the bulk of sweetpotatoes available for winter and spring markets. Prices are expected to advance seasonally into the spring, with both farm and retail prices in most areas averaging substantially above those of last season.

Dry Beans

Supplies of dry edible beans are slightly smaller this season than last. Supplies of colored classes are again relatively light. Total supplies of white classes, although below last year, are large relative to other recent years. After domestic needs are met, less beans were available for export than last season. However, foreign demand for U.S. beans may not be as strong as last season. Because of the political situation, Cuba is expected to take substantially less U.S. beans.

Prices received by growers for colored classes again may be relatively high, although perhaps below the very high levels of last season. Prices of most white beans may average close to those of a year earlier and above support levels. But prices of pea beans, which are in very heavy supply, are likely to average close to support levels.

Will M. Simmons

Agricultural Economics Division, AMS

Spring Potato Guides

USDA acreage-marketing guides recommend a 3-percent reduction in 1961 early spring potato acreage and a 6-percent cut in the acreage planted to late spring potatoes.

In effect, the guide is asking for a spring potato crop of no more than 172,550 acres, 6 percent less acreage than in 1960.

CATTLE ON FEED

Cattle feeders in the 26 major feeding States—Pa., Okla., Tex., the North Central States, and the Western States—expect to market nearly 3 million cattle during the October-December quarter of 1960—3 percent more than they did during the same period of 1959.

On October 1 these feeders had slightly over 5 million cattle and calves on feed for market, 1 percent more than a year earlier. But numbers were down seasonally from the 5.6 million head on feed July 1.

The North Central region showed a 5-percent decrease from October 1, 1959. Only 3 States in this region had more cattle on feed than a year earlier. Numbers on feed in the 11 Western States increased 13 percent with California, the leading Western State, up 20 percent from a year earlier.

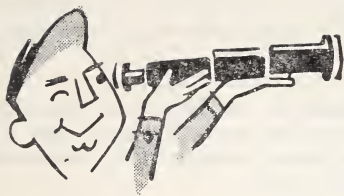
Cattle weighing 500 to 899 pounds accounted for the increase in cattle on feed this October 1—those weighing 500 to 699 pounds were up 15 percent and those 700 to 899 pounds were up 3 percent. Cattle and calves weighing less than 500 pounds were down 2 percent. Those weighing 900 to 1,099 pounds decreased 3 percent. The number weighing over 1,100 pounds was down 10 percent from October 1 last year.

On October 1 cattle and calves that were on feed less than 3 months were down 1 percent from a year earlier. The number on feed 3 to 6 months, however, was up 3 percent and those on feed over 6 months were up 8 percent. Much of the increase in cattle on feed over 6 months was in the lighter weight groups as there was a decline in numbers weighing over 900 pounds.

In 21 States which have comparable 1959 data, marketings of fed cattle during the July-September quarter were 3 percent above last year. Marketings in the 26 States amounted to 3.3 million head in July-September 1960.

Dan L. Herbert

Agricultural Estimates Division, AMS



OUTLOOK

The volume of marketings will continue high in the months ahead. Favorable September weather boosted prospects for fall harvested crops. The total crop output is expected to exceed 1959 by 2½ percent, and the average yields per acre for 28 leading crops are second only to the 1958 record.



Cotton

Not much change in carryover is likely during the 1960-61 marketing year. Production was forecast as of October 1 at about 14.5 million running bales, about equal to prospective disappearance. Exports are expected to be around 6 million bales, down 1.2 million from last year but still high. Domestic mill consumption may fall as much as half a million bales from the 1959-60 figure of 9 million.

Soybeans

Soybean supplies for 1960-61 may be around 585 million bushels, a shade under the record level of the previous 2 years. (See the story on page 8.)



Eggs

The Nation's laying flock set a new record in the rate of lay per bird in

September, but the flock was 4 percent smaller than a year earlier. An 11 percent reduction in the number of pullets on farms indicates that the laying flock will continue smaller than a year earlier through mid-1961.

Tobacco

Cigarette output in 1961 is expected to top the 1960 record of 512 billion. Some further gain over the high 1960 level is likely for cigars while chewing tobacco probably will continue to decline. Some increases in tobacco exports is likely in 1960-61. Economic activity abroad is high, and cigarette consumption in many countries is increasing. However, expanding production abroad and trade barriers will tend to limit the increase.



Cattle

Cattle prices are expected to hold near current levels. Slaughter this fall will be larger than last. Grass cattle slaughter will probably be up significantly, but fed cattle marketings may not gain much over a year earlier. Supplies of red meat, though increasing seasonally, will be smaller than last fall, with the drop in pork offsetting the increase for beef.

Potatoes and Sweetpotatoes

The fall crop which will provide supplies this winter, is 4 percent above last year.



OUTLOOK

Continued

With the demand for sweetpotatoes expected to be about the same as last season, prices for this year's reduced crop are expected to average substantially above those of last season. (See the story on page 3.)

Rice

Large exports reduced the August 1 carryover more than a fifth from a year earlier. Further reduction in stocks is likely in 1960-61.



Milk

Production continues to maintain a slight gain over last year, though declining seasonally. Prices have been rising seasonally and continue a little above last year.

Hogs

Hog slaughter will be noticeably smaller this fall than last. March-May farrowings, which provide the bulk of fall slaughter supplies, were 13 percent smaller than a year earlier. This is in line with smaller inventories of pigs 3-6 months of age in 10 Corn Belt States on September 1. While some seasonal price declines are likely this fall, they are expected to be smaller than usual. In fact, hog prices may fluctuate within a relatively narrow range this fall and winter.



Wheat

The 1960 wheat crop is estimated at 1,368 million bushels compared with 1,128 million in 1959.

Fruit

The early and mid-season orange crop is 2 percent smaller than last year, but 2 percent above average. Production in Florida is up from last year, despite damage from Hurricane Donna. Grapefruit production is expected to be slightly above last year, but 2 percent below average. (See the story on page 13.)



Sheep

Sheep and lamb slaughter in the final 3 months of the year often is near the same level as that in July-September. If this occurs, slaughter will be moderately larger this fall than last.

Vegetables

If current production prospects materialize, prices received by farmers for fresh market vegetables this fall are expected to average moderately below those of last year. (See the story on page 3.)



Feed

Feed prices probably will continue a little lower this fall and winter than those in the same period of 1959-60. The total corn supply of a little over 6 million bushels is 2 percent larger than in 1959, although the crop is 2 percent smaller than last year. Grain production is expected to fall only a little below the 1959 peak.

Broilers

Broiler chick placements recently have been 15 to 20 percent above 1959.

POULTRY AND EGGS—WHAT'S THEIR SHARE OF YOUR STATE'S FARM INCOME?

Have you wondered lately just how much of your State's farm income comes from poultry and eggs? Well here is the USDA information on the subject for 1959.

In the Northeast, the Southeastern broiler belt, and Utah, poultry and eggs provide a larger share of gross farm income than in any of the other States.

Chickens and turkeys are also important in the Midwest and on the Pacific Coast, but other farming activities in those regions are so great that poultry accounts for a smaller percent of the total.

Nevada, Wyoming, and Arizona get only 1 percent of their gross farm income from poultry and eggs. At the other extreme, Delaware earns 52 percent of its gross farm income from poultry and eggs.

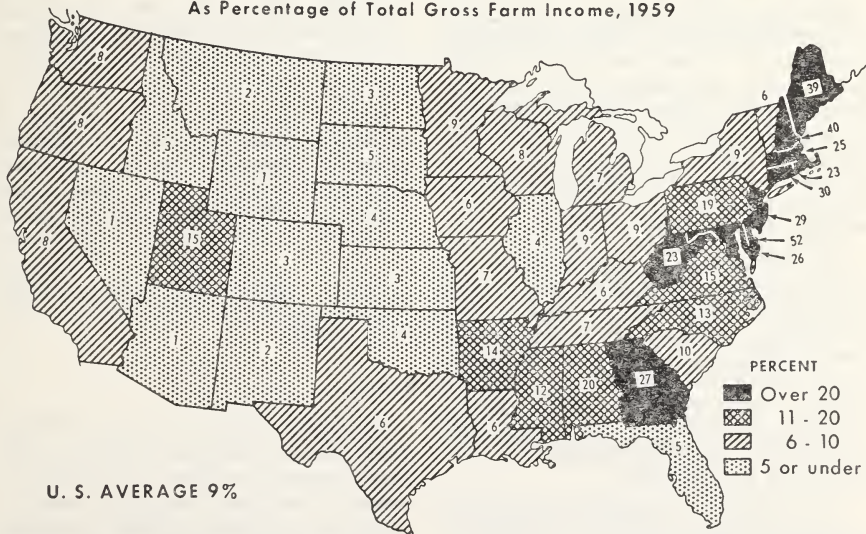
Now let's look at the United States as a whole. Nationally poultry and eggs accounted for 9 percent of the gross income from farm products in 1959, 1 percentage point less than in 1958.

In both years, the third largest source of gross farm income was poultry and eggs, behind meat animals and dairy products. Each of these livestock items provides a larger gross farm income than any crop. (Crops fed on farms where they are produced are not considered as part of gross farm income.)

The principal explanation for the lower poultry and egg share of gross farm income in 1959 was declining prices for eggs and poultry meat. This year prices have been higher than in 1959 and are likely to continue so for some months, despite possible seasonal declines.

GROSS FARM INCOME FROM POULTRY AND EGGS

As Percentage of Total Gross Farm Income, 1959



ANOTHER REDUCTION IN SOYBEAN CARRYOVER IN SIGHT FOR NEXT YEAR

We expect the supply and demand for soybeans during the 1960-61 marketing year (started October 1) to be fairly well balanced. Carryover stocks next year are expected to be reduced sharply for the second year in a row. Prices soybean growers receive may average about \$2.00 a bushel, about the same as in 1959. But more seasonal variation in soybean prices is expected this year than last.

Supplies

Soybean supplies for 1960-61 are estimated at 585 million bushels, just about 3 percent under the record level of the previous 2 years. The 1960 soybean crop is up 4 percent from last year, but the increase is more than offset by the sharply reduced carryover stocks on October 1.

Soybean crushings in 1960-61 probably will total around 400 million bushels, about the same as in the past 2 marketing years. A crush this size would produce about 4.4 billion pounds of soybean oil and 9.3 million tons of soybean meal.

Strong domestic and export demand for soybean oil will help to maintain crushings at the year-earlier level. Supplies of competitive lard will be down sharply during 1960-61 and export demand for bean oil (especially under P.L. 480) will be greater. Domestic use of soybean oil is forecast at 3.4 billion pounds and exports of soybean oil of over 1 billion pounds.

The demand for soybean meal at home should increase some during the coming year but it may be offset by an anticipated decline in exports. Increased feeding of high protein feeds may be encouraged this fall. This should at least offset the effect of fewer hogs this fall than last. And better hog prices may encourage expansion of the spring pig crop in 1960.

Last fall and winter, when hog prices were low, farmers tended to use lower-priced feed grains rather than protein feeds which were priced quite high at

the time. Furthermore, in 1959-60 farmers had to feed a considerable amount of wet corn to hogs and other livestock to avoid loss. This tended to reduce the demand for protein supplements during the 1959-60 feeding year.

Other factors in the soybean meal outlook for 1960-61 include (1) increasing domestic demand for livestock products because of rising population and income, (2) more cattle on feed, (3) an increase in broiler production, and (4) larger supplies of soybean meal available for domestic feeding at slightly lower prices than in 1959-60, with most of the price difference occurring this fall and winter.

Soybean exports in 1960-61 are forecast at 140 million bushels or about the same as last year's record. A factor tending to hold down bean exports this marketing year is the limited supply of beans available for export.

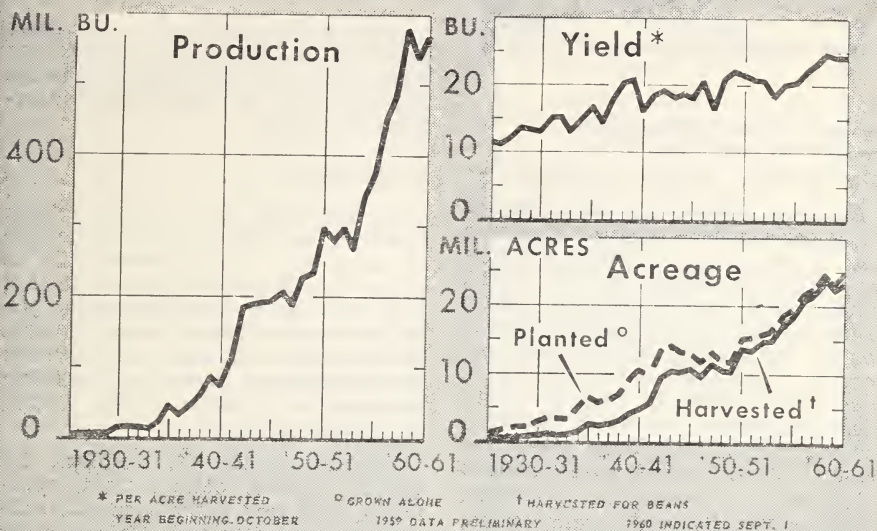
Major importing areas, such as Western Europe and Japan, will continue to need large imports of U.S. oilseeds or oilseed products. Furthermore, U.S. soybeans probably will continue to be competitively priced in world markets. And the world population is rising and a high level of economic activity is expected in most parts of the world.

If the early season forecasts of crushings and exports for 1960-61 prove substantially correct and seed and feed requirements about equal those of recent years, carryover stocks of soybeans on October 1, 1961, may be in the neighborhood of 10 million bushels. This would be about a minimum carryover and only half as much as this year.

Prices

Prices received by farmers have declined seasonally this fall after soybeans started to move to market in volume. Last year, soybean prices did not take their usual fall dip. The reasons: wet weather, delaying harvesting and marketings, small free supplies,

SOYBEANS



U.S. DEPARTMENT OF AGRICULTURE

NEG. 4497-60 (9) AGRICULTURAL MARKETING SERVICE

and strong crusher and export demand. As a consequence, during October-December 1959 CCC sold more than 30 million bushels of soybeans at 20 cents and more a bushel above the support price. These sales during the 1959 harvesting period helped stabilize prices.

Farm prices during most of the 1960 harvesting season are expected to average a little above the support rate of \$1.85 a bushel. After this fall's harvest lows, soybean prices to farmers likely will make more than their usual seasonal increase.

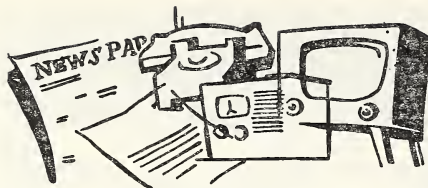
CCC's current sales pricing policy for soybeans specifies that CCC stocks will be sold at the market price, but not less than 105 percent of the basic loan rate for No. 2 beans, plus 5 cents a bushel receiving charge and 1.65 cents a bushel carrying charges a month beginning October 1, 1960. The carrying charges of 1.65 cents will be cumulative through May 31, 1961. The minimum sales price subsequent to May 31, 1961 will be announced later but will be no lower than 105 percent of

the basic loan rate for No. 2 beans. As CCC held only about 9 million bushels of soybeans on October 1, 1960, its sales policy will have less effect on prices during the course of the marketing year, at least until maturity of 1960 crop loans.

Soybean oil prices during the 1960-61 marketing year are expected to average about 15 to 20 percent higher than the 8.3 cents a pound (crude, Decatur) in 1959-60.

The price spread between the farm price for soybeans and value of oil and meal obtained from a bushel of soybeans in 1960-61 probably will average slightly above the 23 cents a bushel in 1959-60, which was the smallest since 1954. This would result from a drop in soybean meal prices, bean prices about as high as last year, and an increase in oil prices. Furthermore, increased crushing capacity will tend to exert pressure on processing margins throughout the 1960-61 season.

George W. Kromer
Agricultural Economics Division, AMS



GET READY FOR NEXT YEAR

What will be the outlook for farm products in 1961? We'll answer as much of this question as possible in the December issue, an edition devoted entirely to outlook.

Recent USDA Publications

Market News. AH-118. 62 pages.

Are you getting the most out of USDA market news reports? One sure way to find out is to read the new agricultural handbook, "Market News", which gives a detailed but clear picture of the market news program. Even if you are using all the market news reports now that apply to your operation, a better knowledge of what goes into them will enable you to be more informed during your crop marketing season. The handbook covers market news work in fruits and vegetables, dairy, poultry, livestock, grain, cotton, and tobacco.

Home Storage of Vegetables and Fruits. FB-1939. 19 pages.

If you intend to store fresh fruits and vegetables without refrigeration in the home basements and cellars, or in outdoor pits, you will find USDA's revised farmer's bulletin, "Home Storage of Vegetables and Fruits," a good guide. The booklet covers a wide range of commodities from pumpkins to apples to potatoes and gives specific information on storage above ground, storage in pits, keeping storage space clean, regulating temperature, maintaining proper moisture, and handling the produce.

You may obtain a free copy of these publications by writing to the editor, Agricultural Situation, Marketing Information Division, AMS, USDA, Washington 25, D.C.

Publications . . .

As has been true of our outlook issues in the past, we will not be able to cover the various commodities as thoroughly as we would like to. But if you let us know what commodities you are interested in, we will send you more detailed reports on them. Our address: The Agricultural Situation, Marketing Information Division, AMS, USDA, Washington 25, D.C.

Reports on the 1961 outlook for wheat, tobacco, cotton, fruit, vegetables, wool, feed, dairy, livestock, poultry and eggs, fats and oils, and farm income will be available to help you plan your production and marketing.

Included in these reports will be a thorough analysis of the current economic situation, and outlook as it affects agriculture, together with an appraisal of most probable future trends.

The outlook reports will be prepared by economists who will present their views at the National Agricultural Outlook Conference in Washington this month.

Slides . . .

Colored and black and white slides of charts on the outlook are also available at a nominal cost. They're ideal for meetings. If your group is interested in these slides, drop us a card and we'll send you more information.



THE FARMER'S SHARE

The farmer's share of the consumer's food dollar was 38 cents in August, the same as in July. In August 1959 the farmer's share was also 38 cents.

SOME CHANGES IN SEASONAL VARIATION IN THE HOG INDUSTRY

Seasonal variations in the hog business are still basically the same—farrows are highest in the spring, marketings are highest in the fall, and prices are highest in the summer and lowest in the fall. But the trend toward year-round farrowings has brought about a gradual decrease in seasonal highs and lows in the past 10 years.

As more and more hog farmers gear for year-round production, the concentration of farrowings in the spring and fall is reduced. This means smaller differences in monthly production. Spring farrowings still exceed fall farrowings, but the fall crop now accounts for a larger percentage of the total crop. For example, fall farrowings were 39 percent of the annual total in 1950 but 43 percent in 1959.

September remains the peak month for fall farrowings. March, however, has replaced April as the high month for spring farrowings. June has replaced July as the summer low and November has replaced December as the winter low in farrowings.

Since hogs are regularly slaughtered 6 to 9 months after farrowing, the seasonal pattern in slaughter is largely determined by the pattern of farrowings. But because hogs are marketed at different weights and ages, the seasonal variation in hog slaughter is not as great as the variation in farrowings.

Until recently the seasonal pattern for hog slaughter was similar to that for sows farrowing—that is, with two peaks and two troughs a year. But the peaks were not as evenly spaced as they were for farrowings. The high point in slaughter was reached in December, 8 months after the spring peak in farrowings. A second peak was reached in March, just 6 months after the fall peak in farrowings. This in-

dicates that fall pigs were not fed as long as spring pigs.

The seasonal pattern of slaughter has changed considerably during the last 4 years. With earlier farrowings and increased feeding efficiency, the late fall peak has leveled off and slaughter is fairly equal from October through January. The February trough has all but disappeared as August farrowings have increased, and the summer low occurs in June instead of July now that December farrowings exceed those in November.

The extremes of seasonal variation in slaughter are less pronounced than they were 10 years ago. They follow the reduction in the variation in farrowings.

Although there are seasonal changes in the demand for pork, as a general rule the price farmers receive for hogs varies inversely with the number slaughtered. Prices are usually highest in midsummer when slaughter is lowest. As slaughter increases, prices decline during the fall, reaching a low in November or December.

The secondary price peak in late winter has disappeared now that February marketings have increased and prices rise steadily from December to the summer peak. This peak is now reached earlier in the summer, corresponding to the earlier trough in numbers slaughtered. Whereas August prices used to be the highest of the year, since 1955 June prices have typically been as high as those in August.

There is less seasonal variation in prices than in slaughter or farrowings. But following the reduced variation in slaughter, there has been some decrease in the variation of prices during the last 10 years.

Arthur A. Harlow
Agricultural Economics Division, AMS



LITTLE CHANGE SEEN IN WOOL OUTLOOK

The outlook for wool during the next year is about the same as it has been the past year.

Here's why: Average prices received by growers, mill use of wool, and imports of raw wool are expected to be the same. Imports of wool products, however, are continuing to increase.

With little change in mill consumption likely in 1961, prices received by domestic producers for shorn wool probably will show much the same pattern in 1961 as this year. Some further decline is likely in the next several months as demand for apparel items continues weak. Prices may move up as the new clip moves into the market, reaching a peak around mid-summer. The incentive level for the 1961 marketing year (April 1, 1961 to March 31, 1962) has been set at 62 cents a pound for shorn wool. This is the same level as for each of the first 6 years of the program.

World wool prices probably will remain relatively stable at present levels until late 1960 when some further decline can be expected, due to continued heavy offerings of wool and less mill use in the major wool manufacturing countries. Mill activity in some of the major manufacturing countries can be expected to again begin increasing in 1961, which probably will lead to some increase in prices. The average auction price so far in the 1960-61 season has been below a year earlier and probably will average lower for the season.

Mill Consumption

U.S. mill consumption of apparel wool is expected to total about 245 million pounds in 1960 compared with 261 million pounds in 1959. This 5 percent decline is due primarily to continued strong competition of non-cellulosic man-made fibers and an increase in the imports of wool manufactures. No major change appears likely for consumer expenditures in 1961 and larger imports of wool manufactures and

strong competition from non-cellulosic fibers are expected to continue in the future. Therefore, total mill consumption in 1961 probably will continue around this year's level. Carpet wool mill use is expected to be about 165 million pounds in 1960 compared with 168 million pounds in 1959.

During January-August 1960, mill consumption totaled 278.2 million pounds, scoured basis, 4 percent less than the same period a year earlier. Apparel wool mill use was 170.6 million pounds and carpet wool 107.6 million pounds.

Domestic consumption of wool—mill consumption plus the foreign trade balance of wool manufactures—in 1960 probably will equal that of 1959. Larger imports of wool manufactures will offset lower mill consumption. Thus total wool consumed in the U.S. in 1960 will be about the same as the 550 million pounds consumed in 1959.

Imports

Imports of dutiable wools will total about 75 to 80 million pounds during 1960 compared with 100.5 million in 1959. Unless there is a build-up of commercial stocks in the U.S. during 1961, approximately the same amount of dutiable wool is expected to be imported in 1961. Imports of duty-free wools will be around 150 to 155 million pounds in 1960 compared with 192 million pounds in 1959. This reduction of imports is due to slightly less mill use and the working down of commercial stocks of dealers and manufactures. Duty-free imports during 1961 are likely to be about the same as the current year.

Imports of raw wool into the U.S. during January-August 1960 totaled 164 million pounds, clean content, 22 percent less than a year ago. Dutiable wool imports were 26 percent smaller and duty-free wool imports 20 percent smaller than January-August 1959.

(continued on page 14)

THE FRUIT AND NUT OUTLOOK FOR NEXT YEAR

Total production of fruit may be larger in 1961 than in 1960, when unfavorable weather reduced many crops. With average weather next year, increases can be expected in both the 1961 deciduous crop and in the 1961-62 citrus crop. Total production of tree nuts probably will be above average, but not as large as this year's near-record crop. Consumer demand for fresh and processed fruit in 1961, supported by continued high income, is expected to be equal to that of this year.

If the weather for the 1961 crops is average or better, a large increase in production of prunes in the Pacific Northwest can be expected. Small to moderate increases can be expected in apples, pears, California prunes, and cherries. Not much change is in view for plums, peaches, and grapes. Some reduction in apricots and cranberries is likely.

The demand for the 1961 deciduous fruit crop, not only by consumers but by processors, is expected to be good. The level of prices received by growers for the crop probably will not be greatly different from 1960, but prices for individual kinds of fruit will tend to move in the opposite direction of production.

Deciduous . . .

The 1960 crop of deciduous fruits is expected to be about 8 percent below the large 1959 crop, but 1 percent above the 1949-58 average. The apricot, peach, and sweet cherry crops are larger than in 1959. In addition, there is a record 1960 cranberry crop.

Production of prunes in the Pacific Northwest is down sharply from last year, and production of other fruits is down moderately. During the past summer, grower prices for fresh market fruit have tended to average above prices in the summer of 1959. Prices for some fruits for processing have been higher than in 1959, while others have been lower. Prices for apples and

pears continue higher this fall than last.

Citrus . . .

Prospective production of citrus fruit in 1960-61 is not greatly different from 1959-60, despite substantial hurricane losses in Florida. The early, mid-season, and navel orange crop is expected to be a little smaller than the 1959-60 crop, that of grapefruit about the same as last season.

Market prospects appear better than a year ago for oranges and at least as good for grapefruit for marketings during fall and winter. Movement of processed citrus, especially frozen orange concentrate, from packers to the trade has been unusually large in the 1959-60 season. Packers' stocks of frozen orange concentrate are much smaller this fall than the heavy stocks of a year ago. This is expected to contribute to strong processor demand.

The 1960 pack of dried fruits is expected to be moderately smaller than the 1959 pack, mainly due to reductions in raisins and prunes. A small reduction in canned fruits also is expected, largely because of decreases in cherries, pears, and plums which more than offsets increases in apricots and fruit cocktail.

Output of frozen deciduous fruits and berries (excluding juices) may not be greatly different from 1959. Among processed citrus juices in Florida in 1959-60, output of frozen orange concentrate was a little below the record in 1958-59, but that of canned single-strength citrus juices was up moderately.

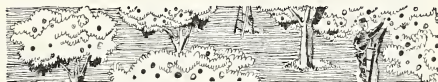
The 1960 crop of almonds, filberts, pecans, and walnuts was about 1 percent smaller than the record 1959 production. A substantial decrease in almonds and a light decrease in filberts more than offset heavy increases in pecans and walnuts. Grower prices for the smaller 1960 crops of almonds and filberts are expected to average above those in 1959, and prices for walnuts

FRUIT—Continued

also may average higher. Prices for pecans probably will be down from 1959.

Exports . . .

Smaller exports are expected for most U.S. fresh and processed fruits in 1960-61 than in 1959-60, largely as a result of reductions in U.S. supplies. The demand for fresh and processed fruits in Western European countries continues favorable. There were some reductions in import restrictions in the summer and fall of 1960.



U.S. supplies of fresh and processed orange and grapefruit items are expected to remain unchanged, and it is anticipated that Mediterranean and Southern Hemisphere supplies will increase. This points to smaller U.S. exports than last year. U.S. apple and pear crops are smaller than last year, while European crops are substantially larger. Although early season export sales have been favorable, total U.S. exports of apples and pears are not expected to reach last season's levels.

Foreign competition in dried fruits will be relatively light during 1960-61. However, U.S. supplies are not expected to be much above last year's relatively short levels and exports are not expected to measurably exceed those of last season. Exports of canned deciduous fruits may be somewhat larger than last year because of an increase in the quotas for dollar imports of canned fruits into the United Kingdom.

Ben Pubols

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WOOL—Continued

Imports of woven fabric, knit wearing apparel, top, yarns, and carpets and rugs, during the first 6 months of 1960 are all above a year ago, while only imports of wastes and noils are less.

Domestic production of woolen and worsted fabrics is expected to total about 300 million linear yards in 1960, about 10 million linear yards less than in 1959. Non-apparel items will decrease more than apparel fabrics. Production of apparel fabric for men and boys probably will be down more than that for women and children. With mill consumption of raw wool during 1961 expected to be about the same as 1960, woolen and worsted fabric production of around 300 million linear yards also is expected in 1961.

World trade in wool manufactures is beginning to level off, showing signs of weakness which may cause some declines in production and trade of wool products in the next several months. World production of wool top, yarns, and fabrics in the leading manufacturing countries during January-June 1960 were above the first 6 months of 1959. However, only fabric production increased from the first to the second quarter of 1960, as output of both top and yarns decreased.

World consumption of raw wool will probably total about 3.2 billion pounds, clean content, in 1960, about the same as the Commonwealth Economic Committee's estimate of 3,193 million pounds for 1959. Consumption of raw wool in the 10 chief wool manufacturing countries of the free world totaled 510 million pounds during April-June 1960, about equal to the second quarter of 1959 but 4 percent less than the first quarter of 1960. During the first 6 months of 1960, raw wool consumption in these 10 countries was 8 percent more than the same period of 1959.

The Commonwealth Economic Committee has estimated the 1960-61 world wool production at 5,560 million pounds, grease basis, 1 percent less than the revised estimate of 5,615 million pounds in 1959-60. The 1960-61 clip is estimated to have a clean equivalent of 3,166 million pounds. Of the 1960-61 total, 2,541 million pounds are apparel wools, 625 million pounds are of all other wools. Apparel wool output is down slightly due to less production of merino wools in Australia and the Union of South Africa.

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"Bert" Newell's

Letter

My goodness, here it is November, Thanksgiving time again, and the year is almost over. It puts me in mind of that poem about "When the frost is on the punkin and . . ."—but I had better not go on because some of your youngsters might say, "Daddy, what does it mean, 'Fodder's in the shock?'" And I don't want to embarrass you. Just recently I drove out in Maryland, and I didn't find one cornfield with long shock rows that used to be so common in this part of the country.

It does beat all how things have changed. A little while ago three of our young men were in and we were just visiting about one thing and another. After a bit, the subject of horses came up, and finally one confessed that he had never harnessed a team in his life. Every one of them admitted that they hadn't either. They knew all about horsepower, but it was related to tractors and power machinery and such things. Hames, traces, breechings, and cruppers were words they had heard, but it was kind of an old-time, distant language to them, and they certainly wouldn't know where they fitted on a horse.

I'm not moaning about all of these changes. I can do without the kind of romance that went with the good old days when we thawed the pump out with a kettle of boiling water and shocked wheat in the broiling sun. Mechanization has done tremendous things for the efficiency of farming, but, of course, it has created some problems, too.

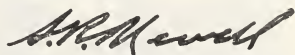
The cotton picker can harvest an awful lot of cotton in a day and save a lot of labor. Of course, it doesn't sing hymns as it picks, and it gathers a lot of trash along with the lint that old uncle Joe would have considered a disgrace to any good cotton picker. Now, this created a problem, and it took quite a piece of doing to improve the gin so that it would take out the trash.

When corn was pulled by hand, you had just corn in the wagon box. But

with the picker-sheller, you are apt to get other things like weed seed, and this isn't good. So, we have to clean up what the machine gets. No doubt about it, though, one of these machines can harvest a lot more corn in a given time than a whole flock of men—even those experts who could keep an ear in the air all the time. I expect that some of these experts will be around for quite a while, but in a few years they will probably be remembered like the stories I used to hear about the husking bee and the smart Alec's who used to conceal a few red ears in their shirts and pull them out at an opportune time to win a kiss from a particular young lady.

These new machines and all create some very real problems for us in the estimating game, too. Fertilizers and the methods of application are changing, new varieties are being introduced, and just a whole host of things are happening that make it necessary for us to develop and apply refined estimating and forecasting procedures. Just a few years ago, a report of a bale of cotton to the acre was reason enough for us to check back and see if the reporter really meant it. In recent years the United States average is almost a bale to the acre, and we hardly look twice at an individual report of two or even three bales to the acre. One of my good friends some 30 years ago used to say that his ambition was to make 20 barrels of corn to the acre. For those of you who don't know, that is 100 bushels. I suppose he has raised his sights considerably by now.

So it goes. I wonder what the next 5 or 10 years will bring. For now, though, we've about reached that time of year when we start adding up the total for the season. It looks like 1960 will hang up a record for total crop production, and I hope you have yours all tucked away so you can enjoy a bountiful Thanksgiving with your family and friends. Won't somebody try to write a little poem puttin' some romance into "bedding down" the tractor and getting the antifreeze in the radiator?



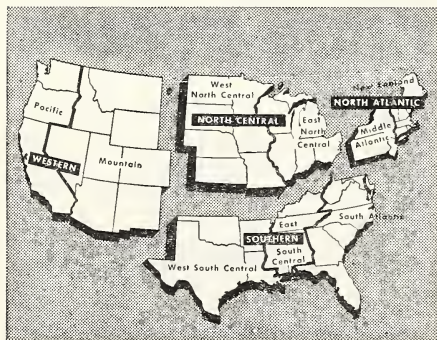
S. R. Newell
Chairman, Crop Reporting Board, AMS

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